



WASHOE COUNTY

Integrity Communication Service

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CM/ACM	<u>CV</u>
Finance	<u>KE/RA</u>
DA	<u>SH</u>
Risk Mgt	<u>DE</u>
HR	<u>n/a</u>
Other	<u>n/a</u>

STAFF REPORT

BOARD MEETING DATE: June 27, 2017

DATE: Wednesday, June 14, 2017

TO: Board of County Commissioners

FROM: Tony Kiriluk, IT Manager, Technology Services Department
775-858-5985, tonykiriluk@gmail.com

THROUGH: Craig Betts, Chief Information Officer, Technology Services Department

SUBJECT: Recommendation to approve FY 2017-2018 sole source purchases of computer network equipment, servers, data storage, Personal Computers, and printers through joinder with National Association of State Procurement Officers (NASPO) Master Price Agreements for State Of Nevada with Dell Inc; and recommend to approve expenditures that will aggregate to exceed [\$100,000] but will remain within FY 2017-2018 adopted budget, not to exceed [\$1,500,000]. (All Commission Districts).

SUMMARY

Technology Services regularly upgrades and modernizes equipment at the County to maintain sustainable, efficient, and effective technological infrastructure to support countywide functions. In FY 2017-2018, approved CIP and base budget funding within Technology Services ensures that purchases from Dell Inc., a long time standard reseller for County technology, will aggregate to exceed [\$100,000]. Countywide expenditures with Dell for FY 2017-2018 are not expected to exceed [\$1,500,000].

Washoe County Strategic Objective supported by this item: Safe, Secure and Healthy Communities by Enhancing Community Safety Through Investing in Critical Infrastructure for Current and Future Needs

PREVIOUS ACTION

- May 22, 2012 - Approved sole source purchases of network equipment, servers, storage, PCs, printers, and Microsoft licensing through joinder with the Western States Contracting Alliance Master Price Agreements and the Master Agreement for Microsoft through Dell/ASAP for the State of Nevada for Dell and Enterasys.
- May 28, 2013 - Approved sole source purchases of computer network equipment, servers, data storage, PCs, and printers through joinder with the Western States Contracting Alliance Master Price Agreements with Dell and Enterasys.

- June 17, 2014 - Approved sole source purchases of computer network equipment, servers, data storage, PCs, and printers through joinder with the WSCA Master Price Agreements for State of Nevada with Dell Inc. and Enterasys Networks, Inc.
- June 9, 2015 - Approved sole source purchases of computer network equipment, servers, data storage, PCs, and printers through joinder with the WSCA Master Price Agreements for State of Nevada with Dell Inc. and Extreme Networks, Inc.
- May 24, 2016 - Approved sole source purchases of computer network equipment, servers, data storage, PCs, and printers through joinder with the WSCA Master Price Agreements for State of Nevada with Dell Inc. and Extreme Networks, Inc.

BACKGROUND

Technology Services regularly upgrades and modernizes equipment at the County to maintain sustainable, efficient, and effective technological infrastructure to support countywide functions. In FY 2017-2018, the Capital Improvement Fund authorizes projects for the implementation of new network security initiatives; upgrade of approximately one-third of county network switches; upgrading of desktop operating systems to Windows 10; continuation of the conversion of county phones to Voice Over Internet Protocol (VOIP) systems; and the continuation of upgrades to countywide security cameras and door controllers; and infrastructure preservation funds support ongoing upgrades of PCs, servers, networks, and physical security infrastructures.

Washoe County has standardized on Dell for servers, data storage, PCs, laptops, and printers, and has begun to utilize some Dell networking products as well. Purchases of these items are done via direct sales from Dell under joinder to the NASPO contract. In most cases, these purchases are made at prices below the default discounting provided through this contract. Many times, multiple purchases are grouped together in order to receive greater discount savings.

To support the FY 2017-2018 County infrastructure projects and ongoing needs of countywide Departments, multiple purchases of Dell brand equipment are purchased separately throughout the year. Such purchases are certain to exceed the [\$100,000] threshold which requires Board Approval. Countywide expenditures are not expected to exceed [\$1,500,000] for FY 2017-2018.

Pursuant to NRS 332.115, computer hardware and software are exempt from competitive bidding requirements.

FISCAL IMPACT

Expenditures for Dell hardware will exceed [\$100,000], but will not exceed [\$1,500,000] for FY 2017 -2018. All expenditures will remain within the available adopted FY 2017-2018 budget.

Technology Services aggressively investigates and negotiates all quotes, and wherever possible, attempts to achieve the best pricing and/or alternative options to ensure reliable infrastructure at the least possible cost. Staff has regularly secured discount pricing levels which fall below NASPO contract levels on most Dell purchases.

RECOMMENDATION

It is recommend that the Board Of County Commissioners approve FY 2017-2018 sole source purchases of computer network equipment, servers, data storage, Personal Computers, and printers through joinder with National Association of State Procurement Officers (NASPO) Master Price Agreements for State Of Nevada with Dell Inc; and recommended to approve expenditures that will aggregate to exceed [\$100,000] but will remain within available adopted budget funding during FY 2017-2018, not to exceed [\$1,500,000].

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: "move to approve FY 2017-2018 sole source purchases of computer network equipment, servers, data storage, Personal Computers, and printers through joinder with National Association of State Procurement Officers (NASPO) Master Price Agreements for State Of Nevada with Dell Inc; and to approve expenditures that will aggregate to exceed [\$100,000] but will remain within available adopted budget funding during FY 2017-2018, not to exceed [\$1,500,000]."

**WASHOE COUNTY
SOLE SOURCE PURCHASE REQUEST FORM**

This form must accompany a purchase requisition when sole source approval is requested for equipment, supplies or services exceeding \$25,000.

DEPARTMENT Technology Services LOCATION 1001 East 9th Street Room C220

REQUESTOR'S NAME Tony Kiriluk TELEPHONE # 775-858-5985

REQUISITION NUMBER Multiple DATE 06/05/2017

RECOMMENDED SOLE SOURCE SUPPLIER Dell, Inc.

DESCRIPTION OF GOOD OR SERVICE REQUESTED Dell PC's laptops, servers, storage, printers, network equipment and associated computer hardware.

I have read and understand the Policies and Procedures of the Board of County Commissioners with regard to sole source procurements. I understand that competition is the preeminent consideration in the expenditure of County funds, and I acknowledge the County's commitment to the principle of fairness to any vendor who would like to do business with the County. After observing these principles and considerations, I hereby submit that the goods, services, and/or vendor specified in the accompanying requisition fit the County's sole source criteria for the following reasons: Please provide sufficient detail to clearly identify the reason(s) for this sole source procurement request. Attach additional information if necessary.

() 1. The product is unique in design and/or features that are required for a specific application. List the unique features and explain why they are needed for the application the product will be used for.

(X) 2. The product being purchased must be compatible with existing equipment. Identify the existing equipment.

Washoe County has standardized on Dell PCs, laptops, servers, and storage equipment, and has a very large installation of a variety of Dell Solutions.

(X) 3. The product requested is one which the user has had specialized training for. Identify who the user of this product will be and provide a description of the previous training.

County Technology staff is trained and certified to support, repair, and administer Dell brand hardware.

() 4. The product or service is available only from the manufacturer or their authorized representative. Identify the manufacturer or authorized representative, and provide telephone number and address information.

() 5. Consultants/Subcontractors: The individual/company is the most suitable to provide the service requested and the selection process is based on the following:

() There is evidence that the assistance to be provided is essential and cannot be provided by persons receiving salary support within Washoe County.

() A selection process was utilized to select the most qualified person.

() The consulting charges are appropriate considering the qualifications of the consultant or company based on past experience and the nature of the work to be performed.

(X) 6. Other. Please explain the specific circumstances and/or requirements that warrant the goods or services request to be procured from a sole source.

While Dell does sell equipment through resellers, Washoe County usually gets the largest price discounting by purchasing directly from Dell under the NASPO contract. When cheaper options are found to be available for Dell hardware through resellers or as part of turn key solutions from software vendors, then the hardware is bought through those alternate avenues.

(X) 7. The following provides justification as to reasonableness of price:

The discounts that Dell regularly extends to Washoe County through direct sales is equal to, or often lower than the State NASPO contract discounts.

I understand that I may be required to justify this sole source procurement before the appropriate authority, including the Board of County Commissioners, and that my signing this document knowing any of it to be false may subject me to administrative action.

Signature of Requestor

Department/Head Approval

Print Name

I, _____, authorized Buyer, recommend the following:

() Sole source justification is adequate and exempt from competitive bidding requirements per NRS 332.115.

() Sole source justification is adequate to justify exemption from competitive bidding requirements per NRS 332.____.

() Sole source justification is inadequate and request is returned to department for additional justification, instructions on whether to seek competitive bids for the goods or services requested, or to withdraw the request.

Buyer

Date

Melanie Lever,
C.P.M.

Digitally signed by Melanie Lever, C.P.M.
DN: cn=Melanie Lever, C.P.M., o=Purchasing
Division, ou=Comptroller,
email=mllever@washocounty.us, c=US
Date: 2017.06.07 11:46:02 -0700

Purchasing & Contracts
Manager

June 7, 2017

Date